



STATE REPRESENTATIVE **JAIME HERRERA** 18TH DISTRICT

2010 Legislative Session Review

Dear Friends and Neighbors,

The 2010 session is now over and I was proud to serve you in the Legislature again this year. I appreciate all the feedback and input you have provided me on the issues of importance to you.

I left Olympia deeply troubled by the direction our state is headed. Folks in Southwest Washington are still facing one of the highest unemployment rates in the country. From Camas to Castle Rock, businesses continue to shut their doors and families struggle to make ends meet.

Unfortunately, the Democratic majority was unable to finish its business during the 60-day session and a 30-day special session was called, the outstanding questions being which taxes to raise and how high. The special session alone cost taxpayers more than \$200,000.

After disregarding the will of the people by overturning the Taxpayer Protection Act (I-960), legislative Democrats **passed the largest tax increase in state history!**

At a time when people are out of work and desperate for jobs, Olympia decided to ask them for more of what they don't have: money.

To be sure, it was one of the worst job-killing budgets ever passed. The formula for creating jobs is simple, but for politicians addicted to spending, it isn't easy. By forcing government to live within its means, we would allow struggling businesses to keep more of their money so they can thrive and begin hiring people. Sadly, the majority party instead decided on tax increases.

Where do we go from here? Despite the bad news from this year's sessions, I believe we can still fix our state's financial mess and get people back to work. We need to keep our focus on the same priorities that I fought for alongside my fellow lawmakers this year. This newsletter will give you a brief review of those priorities:

- Getting people back to work;
- Balancing the budget without raising your taxes.

I look forward to working with you to make Washington the best state in which to live, work and raise a family.

Sincerely,

Jaime Herrera
State Representative

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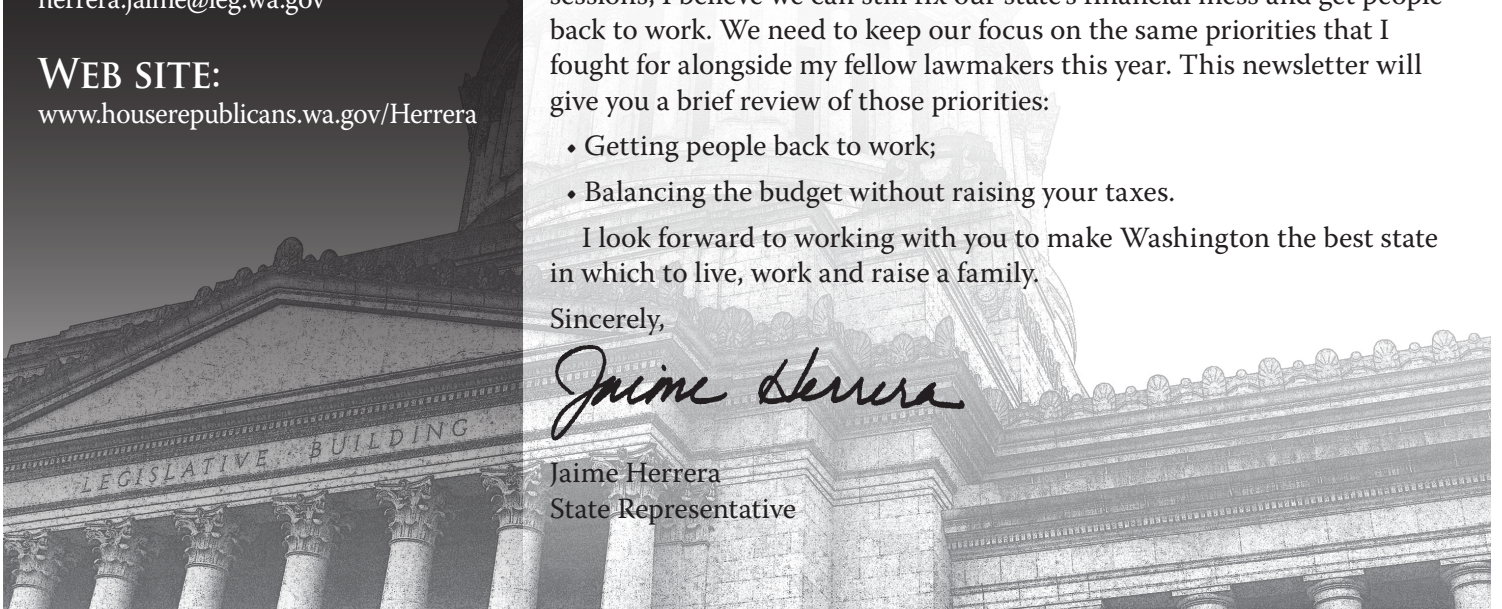
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STATE REPRESENTATIVE JAIME HERRERA

REPRIORITIZING STATE SPENDING



Rep. Herrera talks about responsible state spending on the House floor.

Despite all the rhetoric and promises made by Democratic lawmakers, **state spending only decreased by less than one percent from last year's budget.** When compared to the private sector, where over 189,000 jobs have

been lost since the beginning of the recession in February of 2008, this small cut in state spending represents a serious disconnect from reality.

Government owes it to the families it represents to set priorities and live within its means. That is why I joined my Republican colleagues in offering the majority party more than \$750 million in government reforms and budget efficiencies. Some of the ideas we offered include:

- Transform the Basic Health Plan;
- Reform General Assistance Unemployable;
- Increase state employee contribution of rates for health benefits;
- Privatize state liquor stores;
- Eliminate state Department of Printing; and
- Allow competition in our state-run workers' compensation insurance system.

I'm disappointed to report that every one of these solutions was ignored. And, because their budget solution to our state's \$2.8 billion shortfall relies so heavily on one-time monies, the practice of adopting unsustainable and unrealistic budgets continues.

Rather than help speed our state's recovery, the recently-adopted budget will take more money from Washington citizens at a time when they can least afford it. This is not responsible leadership.

VOTER-APPROVED TAXPAYER PROTECTION ACT (I-960) OVERTURNED



Families are struggling to make ends meet and employers are struggling to keep their doors open. Yet even in the midst of this hardship, the Democrat majority passed the largest tax increase in state history.

The 2007 voter-approved Taxpayer Protection Act (I-960) required a two-thirds vote of the Legislature, or a vote of the people, to raise taxes. This session, the majority party chose to overturn I-960, and make it easier for the Legislature to pass tax increases, by passing Senate Bill

6130. I fought to protect the Taxpayer Protection Act, because I believe we can do nothing greater than respect the will of the people. I joined my Republican colleagues, and several Democratic colleagues as well, to vote against Senate Bill 6130. Tax increases will kill jobs in our state.

Higher taxes hurt families and employers

Raising taxes is not the answer to our state's budget problems. Instead of raising taxes on hard-working families, I believe government should live within its means.

The following is a small sampling of these new and increased taxes that will take money from struggling families and businesses.

- A 0.30 percent increase in the B&O tax = \$242 million.
- Sales tax on bottled water = \$32.6 million.
- B&O tax increase on certain canned meat products = \$4.1 million.
- B&O tax increase on mortgages = \$3.6 million.
- Tax increase on PUD electric bills = \$1.2 million.
- Tax increase on livestock nutrient management = \$1.3 million.
- Personal liability for tax debts = \$1.1 million.
- B&O tax increase on corporate officer salaries = \$2.1 million.
- 2-cent per 12-ounce soda tax = \$33.5 million.
- Sales tax on candy and gum = \$30.5 million.
- 50-cents per gallon (28-cents per six pack) beer tax = \$59 million.
- Cigarette (\$1 per pack) and other tobacco products = \$101 million.

2010 LEGISLATIVE SESSION REVIEW

PUTTING PEOPLE BACK TO WORK

Unemployment is at an all time high, nowhere worse than right here in our district where unemployment hovers at around 14 percent. Our state has lost more than 189,000 jobs in the private sector since the recession began nearly 18 months ago. My priority since that time is to improve Washington's business climate and get people back to work.

Our state must have policies in place that will protect and create jobs by revitalizing our economy and attracting new investment. Prior to the start of the 2010 session, I visited with local business leaders to discuss the House Republican *Made in Washington* jobs package. The package of bills I supported would have retained family-wage jobs in our area and attracted new jobs to our state.

Our *Made in Washington* plan would have returned people back to work sooner by:

- Improving the efficiency of our unemployment insurance and workers' compensation insurance systems;
- Providing regulatory relief by reforming government services and easing costly regulations;

- Protecting workers' health care with common-sense reforms that reduce costs and protect consumer choice; and
- Increasing affordable, renewable energy supply.

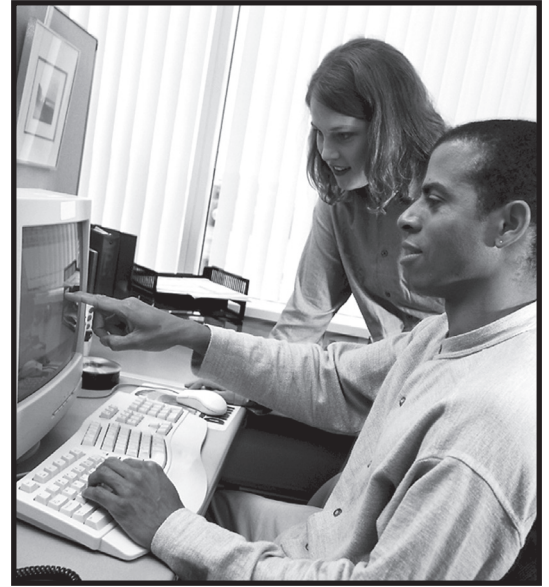
One measure in our jobs package was signed into law. **House Bill 2603** will give businesses 48 hours to correct mistakes before a state agency can issue a fine or penalty.

The people from our region don't expect government to solve their problems for them, but they don't want government to stand in their way either. The key to our recovery and the core of any effective, real jobs plan will be our hard-working, enterprising citizens. If we let them prosper, they will provide more jobs than any faulty tax-and-spend government strategy could ever hope to achieve.

People from Southwest Washington and across the state will feel the sting of the poor decisions made in Olympia this session. They will remember that their voices were disregarded when a majority of Democratic legislators overturned the people's Initiative 960, making it easier to raise taxes. They will remember that the majority party voted to raise taxes and increase spending.

Next year, the Legislature will likely face similarly difficult choices – budget forecasts say we will yet again face a \$2 billion deficit. Hopefully a majority of my colleagues will undo these harmful policies.

I pledge to you that I will continue to put more value on saving your money than spending your money, and to continue fighting hard for the best interests of our families, our region and our state.



Rep. Herrera discusses a bill on the House floor with other state lawmakers.



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here



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I'D LIKE TO HEAR FROM YOU


If you have any questions, comments or concerns to share with me, please fill out this card and mail it to my local office address that I have provided. Or, please send me an e-mail at herrera.jaime@leg.wa.gov or give me a call (360) 687-0489. I look forward to hearing from you.

SHARE YOUR THOUGHTS

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